

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.)

**§ 18705.4. Materiality Standard: Economic Interests in Persons Who Are Sources of Gifts.**

(a) Directly involved sources of gifts. Any reasonably foreseeable financial effect on a person who is a source of a gift to a public official, and which person is directly involved in a decision before the official's agency, is deemed material.

(b) Indirectly involved sources of gifts.

(1) Sources of gifts which are indirectly involved business entities. If the source of a gift is a business entity, apply the materiality standards stated in 2 Cal. Code Regs. section 18705.1(c).

(2) Sources of gifts which are indirectly involved nonprofit entities or government agencies. If the source of a gift is a nonprofit entity or a government agency, apply the materiality standards stated in 2 Cal. Code Regs. section 18705.3(b)(2).

(3) Sources of gifts who are indirectly involved individuals. If the source of a gift is an individual, apply the materiality standards stated in 2 Cal. Code Regs. section 18705.3(b)(3).

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87100, 87102.5, 87102.6, 87102.8 and 87103, Government Code.

**HISTORY**

1. New section filed 11-23-98; operative 11-23-98 pursuant to the 1974 version of Government Code section 11380.2 and title 2, California Code of Regulations, section 18312(d) and (e) (Register 98, No. 48).

2. Change without regulatory effect amending section heading filed 3-26-99 pursuant to section 100, title 1, California Code of Regulations (Register 99, No. 13).

3. Editorial correction of 1 (Register 2000, No. 25).

4. Amendment of subsections (b)(1)-(3) filed 9-12-2002 as a change without regulatory effect.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2002, No. 37).